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acreage marketing guides

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1970 LATE SUMMER AND FALL POTATOES



U.S. DEPARTMENT OF AGRICULTURE • CONSUMER AND MARKETING SERVICE

MARCH 1970 AMG 74

PREFACE

Acreage-marketing guides are prepared each year for the six seasonal potato crops. The guide recommendations suggest potato plantings by seasons, and producing areas within the seasonal group, which with average yield, should result in enough production for consumer needs, but not enough to depress growers' income.

USDA's Consumer and Marketing Service continually studies markets for potatoes. These studies include evaluations of acreage, yield, production, price, shipments, unloads, foreign trade, shifts in geographical concentration, and competitive relationships between seasonal crops and among producing areas within the seasonal groups. Also, the potential demand for fresh table potatoes is measured against the rising market for processed food potatoes. A wide range of data are available for studies on potatoes which continue to be a popular item on most consumers' food shopping lists.

On the basis of these studies guide recommendations have been developed for 1970 crop levels. The recommendations are also reviewed by representatives of other USDA agencies who are familiar with the potato industry. The final recommendations for 1970 crop potatoes are presented in this publication. If 1970 potato levels are kept in line with guide recommendations, few marketing difficulties will be encountered by growers.

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ACREAGE-MARKETING GUIDES
1970 LATE SUMMER AND FALL POTATOES

I. THE DEMAND FOR POTATOES

The economy appeared to be slowing as the new decade began. Higher costs and expensive credit will probably influence less rapid industry expansion for most of 1970. The Federal Government, continuing the fight against inflation and trying to avoid a budget deficit, has announced cutbacks in spending and layoffs in defense and related areas. In addition, the housing industry continues under pressure.

Despite prospects for a slower economy and some rise in unemployment, disposable personal income gains will likely be maintained in 1970. Income tax reduction and larger social security payments may about offset a slight decline in the workweek and slower wage gains.

Thus, with population growing and consumer incomes continuing to advance, outlays for food are expected to expand in 1970. However, the rise in food spending is not expected to match the gain in consumers' after-tax incomes. Thus, the percentage of income spent for food will likely continue to decline in 1970.

In recent years, the potato industry has encountered rising production and marketing costs. To reduce costs per unit, potato growers have sought to increase yield per acre by adopting improved cultural practices and switching to improved varieties. Also, to the extent possible, they have switched from hand labor to mechanized equipment.

In the 1970's, the potato industry will continue to be one of intense competition for growers and processors. The less efficient will continue to be challenged by rising costs. Survival in the industry will require increasing efficiency in production and processing.

Per capita use of potatoes has been holding within a narrow range; the 1964-68 average was 111 pounds, farm-weight equivalent. Consumers are using processed potato products in increasing amounts, and at the same time, reducing their consumption of fresh table potatoes. Fresh table potatoes accounted for 54.7 percent of total food potatoes used from the 1968 crop; the processed items accounted for 45.3 percent, about double the percentage estimated in 1960.

The 1970-71 outlook for food potatoes is for a slowly growing total market. Little change in total sales is anticipated for fresh table potatoes. But additional growth is expected in aggregate sales of processed potato products, including chips, dehydrated and frozen items.

II. 1970 RECOMMENDATIONS

The U.S. annual potato production is trending upward slightly because of rising yields on a relatively static total acreage. An increasing percentage of the annual crop is originating in the fall group of States; the other seasonal groups' combined share is declining. The fall group produced 76

percent of the 1969 crop compared with 68 percent in 1960. Also, fall crop production is becoming concentrated in the western fall producing States. Late summer production is holding steady, accounting for approximately 10 percent of the annual crop.

The 1970 guides recommend a 3 percent reduction in total late summer acreage, and an 8 percent reduction in total fall acreage. With average yields on the guide acreages, including those recommended for 1970 winter, spring, and early summer crops, the U.S. 1970 production would total 289.0 million hundredweight, 6 percent less than the 1969 record crop. The production from the guide acreage should adequately supply all potato outlets; including fresh supplies direct for table use, and for processing into chips, frozen, dehydrated and canned items.

The 1970 acreage guides for individual late summer and fall potato producing States range from no change in acreage compared with 1969 to 15 percent less. Acreage reductions are suggested in most States because either acreage has been increasing or average yield is moving up significantly, so that the resulting production has been in excess of normal market requirements. Acreage guides by States are shown on the opposite page; the marketing guides are shown on page 6.

Late Summer Crop Recommendations

The total planting guide for the 1970 late summer crop is 117,660 acres, 3 percent less than in 1969. Such an acreage, with average yield per planted acre, will result in a production of 28.6 million hundredweight, slightly less than the 1969 output.

During the 1960s, total late summer potato plantings decreased almost a third. At the same time, average yield for the seasonal group increased almost a fourth. Because of the rising trend in yields, acreage reductions have been recommended in most late summer producing areas. Additional details on the late summer crop are on page 7.

Fall Crop Recommendations

The total planting guide for the 1970 fall crop is 1,007,655 acres, 8 percent less than in 1969. Such an acreage, with average yield per planted acre, will result in a production of 217.9 million hundredweight, 7 percent less than in 1969.

An expansion in acreage combined with a record average yield resulted in a record fall production in 1969 that was in excess of normal market needs. However, market stability was maintained because of abnormal losses in storage following freeze-damage to the western crop during fall harvest. Acreage reductions are recommended for a majority of the fall producing States because either yield has been advancing or acreage has been increased. Additional details on the fall crop are on pages 9.

Table 1.--Potatoes, Late Summer and Fall Crops and Summary:
1970 Acreage Guides

Season : Acreage : Percentage :	Season : Acreage : Percentage :
and : guide : change from :	and : guide : change from :
State : 1970 : 1969 :	State : 1970 : 1969 :
<u>Acres</u> <u>Percent</u>	<u>Acres</u> <u>Percent</u>
<u>Late Summer:</u>	<u>Fall:</u>
New York, L.I. 6,720 - 4	Maine 147,170 - 9
New Jersey 13,355 0	New Hampshire 900 0
Ohio 3,355 - 1	Vermont 1,300 0
Indiana 995 - 1	Massachusetts 5,100 0
Illinois 2,270 - 5	Rhode Island 5,150 - 6
Michigan 10,495 - 5	Connecticut 5,600 0
Wisconsin 16,145 - 2	New York, L.I. 26,080 - 1
Minnesota 7,410 - 7	New York, Upstate 34,615 - 4
Iowa 2,845 -11	Pennsylvania <u>32,990</u> - <u>8</u>
Nebraska 2,500 0	8 Eastern-Fall 258,905 - 7
Maryland 695 - 1	
Virginia 900 0	Ohio 10,795 -15
West Virginia 4,735 - 3	Indiana 5,445 - 9
North Carolina 925 - 8	Michigan 30,215 - 3
Colorado 12,825 - 5	Wisconsin 36,075 - 4
New Mexico 3,100 0	Minnesota 92,595 - 6
Washington 20,690 - 1	North Dakota 104,165 - 9
California <u>7,700</u> 0	South Dakota 5,200 0
Total 117,660 - 3	Nebraska <u>6,775</u> - <u>6</u>
	8 Central-Fall 291,625 - 7
	Montana 7,695 - 4
	Idaho-10 S.W. Co. 27,970 - 7
	Idaho-Other Co. 262,535 - 8
	Wyoming 3,345 -12
	Colorado 34,000 -15
	Utah 6,780 -12
	Washington 43,350 -15
	Oregon-Malheur Co. 15,000 0
	Oregon-Other Co. 30,175 -15
	California <u>26,275</u> - <u>9</u>
	9 Western-Fall 457,125 - 9
	<u>Total Fall</u> 1,007,655 - 8
	Total Winter 21,000 0
	Total Spring 116,110 - 6
	Total Summer 199,240 - 4
	<u>Total Fall</u> 1,007,655 - 8
	<u>U. S.</u> 1,344,005 - 7

Table 2.--Potatoes Late Summer and Fall Crops and Summary:
1970 Marketing Guides 1/

Season and State	:	Marketing guide 1970	:	Season and State	:	Marketing guide 1970
		<u>1,000 cwt.</u>				<u>1,000 cwt.</u>
<u>Late Summer:</u>				<u>Fall:</u>		
New York, Long Island		1,734		Maine		34,438
New Jersey		3,445		New Hampshire		198
Ohio		624		Vermont		250
Indiana		171		Massachusetts		959
Illinois		411		Rhode Island		1,200
Michigan		1,889		Connecticut		1,221
Wisconsin		3,455		New York, Long Island		6,833
Minnesota		1,778		New York, Upstate		8,031
Iowa		498		Pennsylvania		<u>7,456</u>
Nebraska		365		8 Eastern Fall		60,586
Maryland		97				
Virginia		77		Ohio		2,191
West Virginia		355		Indiana		1,438
North Carolina		131		Michigan		6,466
Colorado		2,809		Wisconsin		8,514
New Mexico		564		Minnesota		11,852
Washington		7,551		North Dakota		14,375
California		<u>2,657</u>		South Dakota		572
Total Late Summer		<u>28,611</u>		Nebraska		<u>1,687</u>
				8 Central-Fall		<u>47,095</u>
				Montana		1,370
				Idaho - 10 S. W. Co.		8,670
				Idaho - Other Co.		52,507
				Wyoming		552
				Colorado		8,636
				Utah		1,220
				Washington		17,340
				Oregon Malheur Co.		4,230
				Oregon-Other Co.		7,785
				California		<u>7,935</u>
				9 Western-Fall		<u>110,245</u>
				Total Fall		<u>217,926</u>
				Total Winter		3,883
				Total Spring		25,345
				Total Summer		41,846
				Total Fall		<u>217,926</u>
				U. S.		<u>289,000</u>

1/ Computed: Product of acreage guides for 1970 multiplied by average yield per planted acre.

III. LATE SUMMER POTATOES

Late summer potato production is concentrated in New Jersey, Long Island, Michigan, Wisconsin, Minnesota, Colorado, California and Washington. During recent years, output has declined in the East, held about steady in the Midwest, and increased in the West, chiefly in Washington where production has been stepped up to meet needs of freezers and dehydrators. In 1969, 27 percent of the seasonal output originated in Washington, and 12 percent in Wisconsin, second in rank in late summer tonnage.

Market need for late summer potatoes other than for Washington supplies has been static. A declining trend in sales of fresh summer supplies apparently has been about offset by expanding sales in potato chip outlets.

The disposition of a typical late summer crop includes 93 percent "sold," 4 percent accounted for on-farm as shrinkage and loss, 1 percent used for seed, and 2 percent used for food in potato-farm households. The latter use declined sharply during the 1960's.

The 1969 total late summer acreage was reduced moderately. The average yield was a record, and total production was down slightly.

Harvest of the eastern and midwestern 1969 late summer crop started later than usual following cool weather and summer rains. Substantial marketings of early summer supplies, particularly those from Texas, Virginia and California, overlapped late summer movement. In Washington, deliveries to processors were underway about July 10, and fresh market movement began after mid-month. Movement from most other late summer areas was light through July but increased thereafter.

Cumulative shipments from New Jersey through September 30, 1969 were a fourth less than in the previous season, and a large portion of the crop was marketed during the fall and winter. Late summer movement from Long Island, Minnesota, Wisconsin, and Idaho was moderately above a year earlier, but shipment totals for Colorado and Oregon were considerably smaller.

Prices received for late summer potatoes are affected significantly by timing of late summer harvest in major producing areas, as well as the progress of crop development in fall crop areas. Short-term price increases may result in the late summer when harvest is interrupted or delayed by rain.

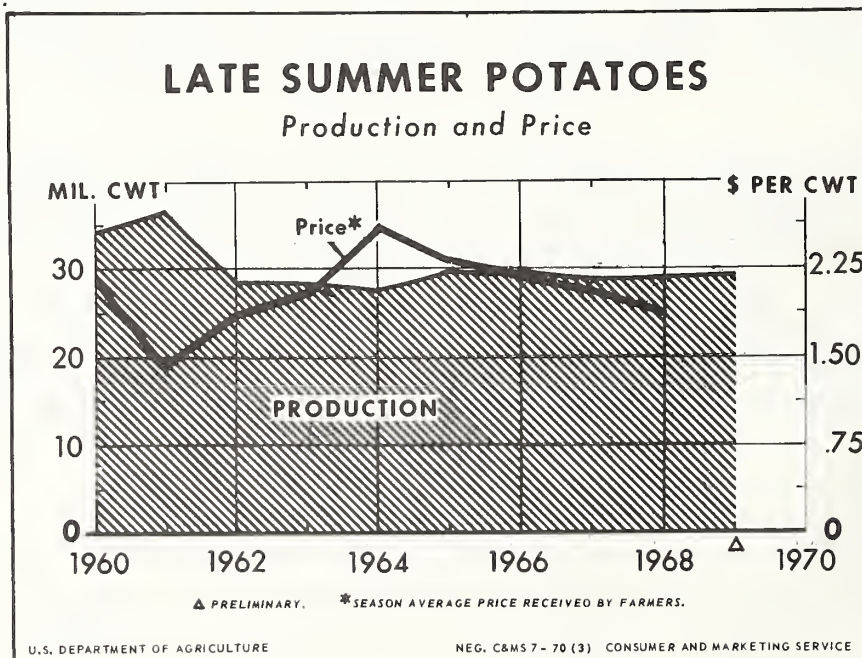
Grower prices during July 1969 averaged substantially below those in July, 1968. However, August and September averages were substantially higher. Prices averaged \$2.47 per hundredweight in July 1969, \$2.45 in August, and \$2.06 in September. Additional details are shown in Table 3 and Figure 1.

Table 3.--Potatoes, Late Summer Crop: Selected data for groups of States, 1967-69

Group		Acreage		Yield	Production	Farm	Value
		Planted	Harvested	per acre		price	of
		1,000 acres	1,000 acres	Cwt.		per cwt.	1,000 dollars
Eastern:	1969	20.4	20.0	254	5,070	N.A.	N.A.
	1968	20.5	20.5	255	5,228	2.07	10,802
	1967	22.9	22.9	248	5,678	1.94	11,015
Central:	1969	48.0	45.9	210	9,628	N.A.	N.A.
	1968	47.7	46.4	197	9,127	2.14	19,507
	1967	49.7	48.2	199	9,586	2.18	20,910
Western:	1969	45.3	44.4	313	13,910	N.A.	N.A.
	1968	49.3	48.9	303	14,810	1.82	26,924
	1967	46.9	46.5	273	12,693	1.98	25,146
Other:	1969	7.5	7.5	92	692	N.A.	N.A.
	1968	7.8	7.8	88	687	2.74	1,881
	1967	8.3	8.3	82	683	2.51	1,711
All:	1969	121.2	117.8	249	29,300	N.A.	N.A.
	1968	125.3	123.6	242	29,852	1.97	59,114
	1967	127.8	125.9	227	28,640	2.04	58,782

N. A. - Not available. Note: Eastern includes L. I. and N. J., Central includes Ind., Ill., Mich., Wis., Minn., Iowa, and Nebr.; Western includes Colo., N. Mex., Wash., and Calif., Other includes Md., Va., W. Va., and N. C.

Figure 1



IV. FALL POTATOES

Since 1965, the successive annual plantings of fall potatoes have held within a narrow range. Yield per acre, which has been trending upward slightly, attained a record average of 221 hundredweight in 1969. Also, the 1969 production was a record--233.6 million hundredweight, up 6 percent from 1968, and slightly more than the prior record in 1967.

The bulk of the eastern crop continues to originate in Maine. Minnesota and North Dakota dominate in the central States, and Idaho and Washington are principal sources in the West. In 1969, 27 percent of the total fall crop originated in the eastern group of States, 21 percent in the central group, and 52 percent in the western group. The portion of the fall crop produced in the western group increased during the 1960s. For example, the latter group produced 37 percent of the 1960 total fall crop.

Varietal production in the eastern and central States consists chiefly of round varieties, although long varieties are increasing in importance in several States, including Maine, New York, Michigan and Wisconsin. The long variety, principally Russet Burbanks, predominates in western States. However, a significant volume of round reds are harvested in Colorado.

Potatoes produced in eastern and central States are sold chiefly in table, seed, and chip outlets. In addition, substantial quantities of potatoes in Maine, Michigan, and the Red River Valley are utilized by food processors. In 1968, approximately 30 percent of the Maine crop was utilized by local plants manufacturing frozen products.

Both dehydrating and freezing plants are located in potato producing areas in the Red River Valley, Idaho, Washington, and Oregon. Local food processors utilized 60 percent of the 1968 production in Idaho, and also, approximately 60 percent of Washington's crop. Processor use of Washington's 1969 crop is at a substantially higher rate compared with last season. Western growers continue to supply large quantities to fresh table markets, as well as seed and chip outlets.

Potato starch plants, which utilize low-quality stocks, are located in Maine, Red River Valley, Colorado, Idaho and the Tulalake area in California.

In recent years, fall potato production has generally been greater than market needs, and from time to time grower prices have been depressed. The 1969 record fall production posed a threat of a surplus, particularly in the West, and depressed prices. However, several factors have contributed to an orderly shipping season so far for 1969 fall crop potatoes. A fall freeze in the West at harvest time reduced marketable supplies below expectation. Abnormal storage losses in the West contributed to a record disappearance of potatoes from time of fall harvest to February 1, 1970. Also, processors have drawn heavily on raw product for processing.

In the Midwest and East, 1969 per capita fall production was indicated to be about in balance with normal requirements. In addition, 1969 production in Canada was below average, and competition in eastern markets from imports of Canadian fresh supplies has been at a reduced level. Also, there have

been numerous inquiries from foreign sources as to the availability of U. S. fresh supplies, and a significant volume of 1969 domestic storage potatoes have been exported.

All of these latter factors plus an anticipated moderate crop of 1970 spring potatoes have contributed to the relatively strong market for 1969 storage potatoes. The U. S. average price received by growers advanced from \$1.85 per hundredweight in October 1969 to \$2.36 in February 1970.

Next season, however, total fall potato production should be reduced so as to improve market balance. The 1970 fall crop marketing guide recommendation is a reduction of 7 percent in production compared with the 1969 record output. The 1970 late summer marketing guide recommendation calls for a 2 percent reduction. Details on the fall crop are shown in Table 4 and Figures 2 through 5. Data for major States are included in Figures 6 through 15, beginning page 13.

Table 4.--Potatoes, Fall Crop: Selected data, 1967-69 crops

	:	:	Yield	:	:	Value					
Fall crop; region	:	Acreage	:	per	:	Farm	:	of			
	:	Planted	:	harvested	:	acre	:	Production: price	:	production	
		1,000		1,000		Million		Dollars		Dollars-	
		<u>acres</u>		<u>acres</u>		<u>Cwt.</u>		<u>cwt.</u>		<u>per cwt.</u>	<u>million</u>
8 Eastern States:											
1969		277.6		271.0		229		62.0		N.A.	N.A.
1968		275.1		274.6		232		63.8		2.11	134.3
1967		294.1		285.1		236		67.2		1.66	111.8
8 Central States:											
1969		313.6		294.4		171		50.2		N.A.	N.A.
1968		314.9		293.0		169		49.6		1.86	92.4
1967		334.9		323.0		153		49.4		1.65	81.1
9 Western States:											
1969		503.8		493.6		246		121.5		N.A.	N.A.
1968		466.8		462.7		232		107.6		2.22	238.4
1967		485.2		480.5		239		114.6		1.71	195.4
U.S. Fall Crop:											
1969		1,095.0		1,059.0		221		233.6		N.A.	N.A.
1968		1,056.8		1,030.3		214		220.9		2.11	465.1
1967		1,114.2		1,088.6		212		231.2		1.68	388.3

N.A. - Not available.

Note: Eastern includes Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, and Pennsylvania; Central includes Ohio, Indiana, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota and Nebraska; Western includes Montana, Idaho, Wyoming, Colorado, Utah, Nevada (1967 and 1968 only), Washington, Oregon, and California.

IV. FALL POTATOES (continued)

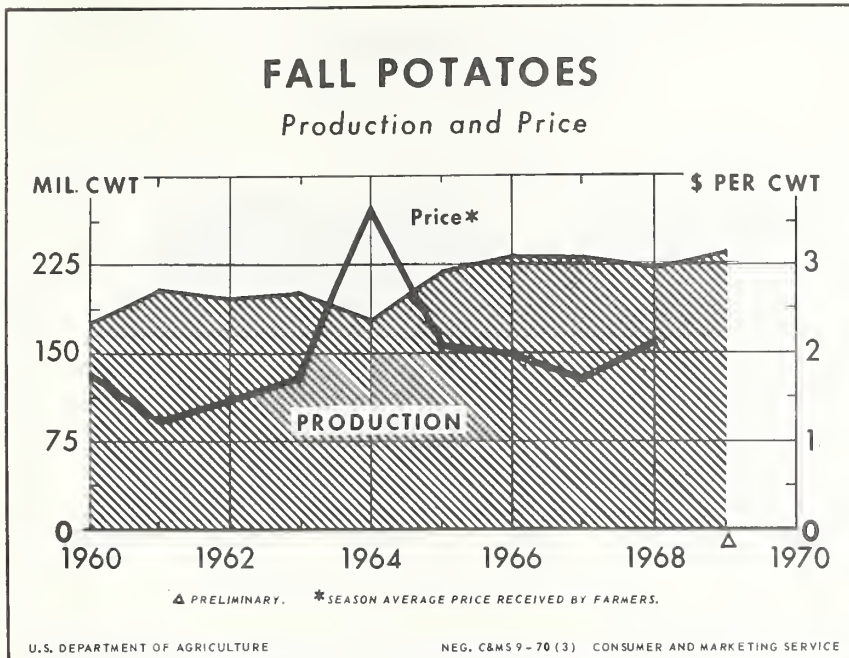


Figure 2

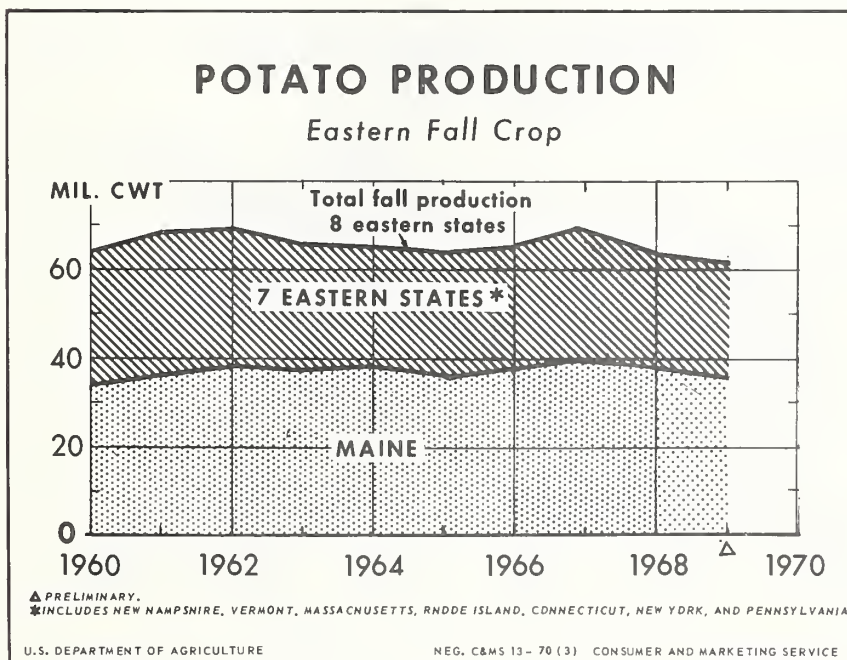


Figure 3

IV. FALL POTATOES (continued)

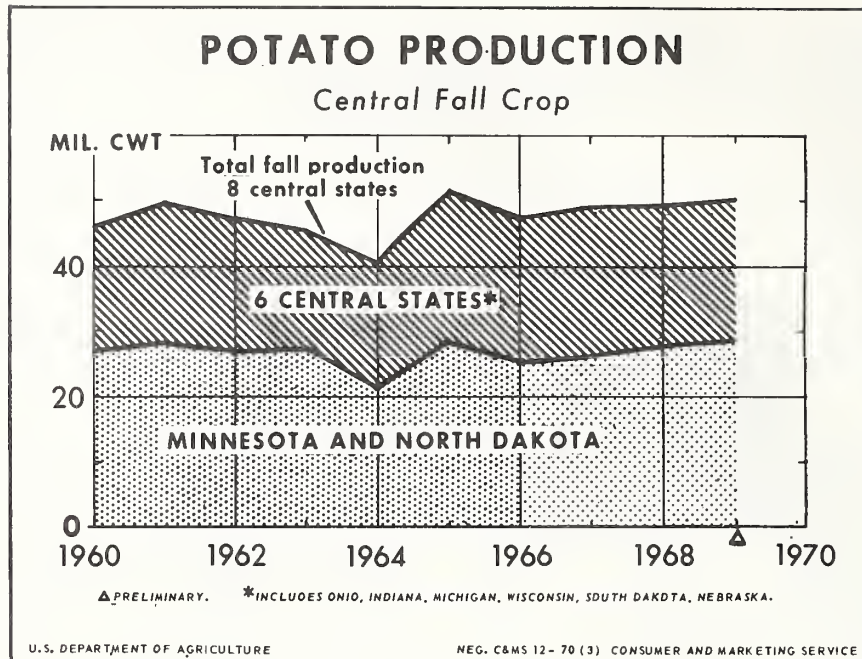


Figure 4

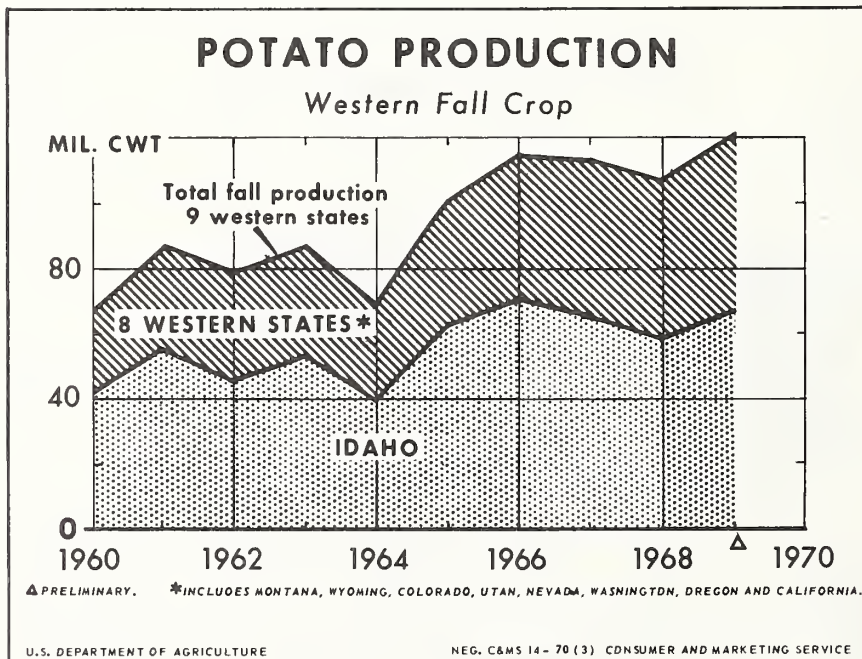


Figure 5

V. POTATO PRODUCTION - PRICE, SELECTED STATES

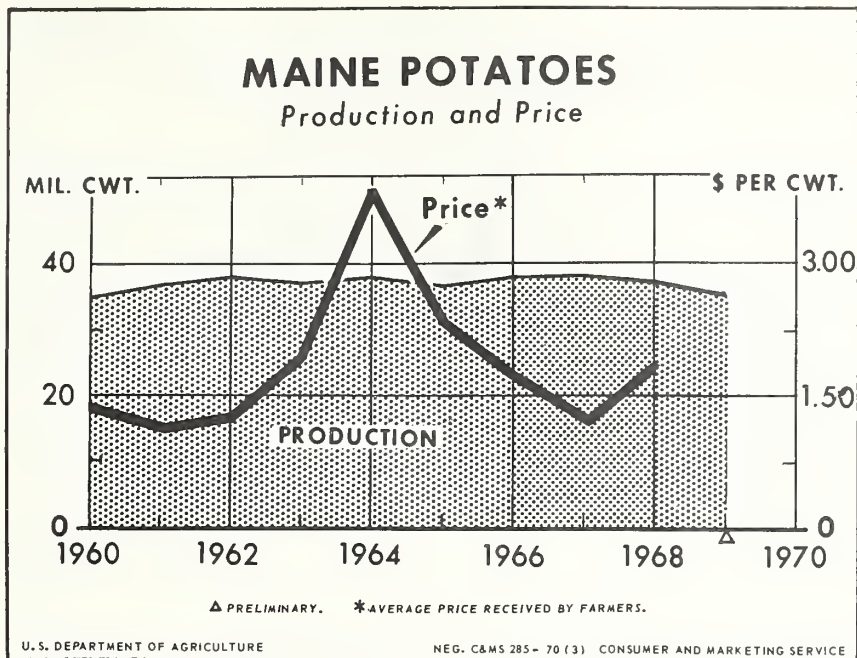


Figure 6

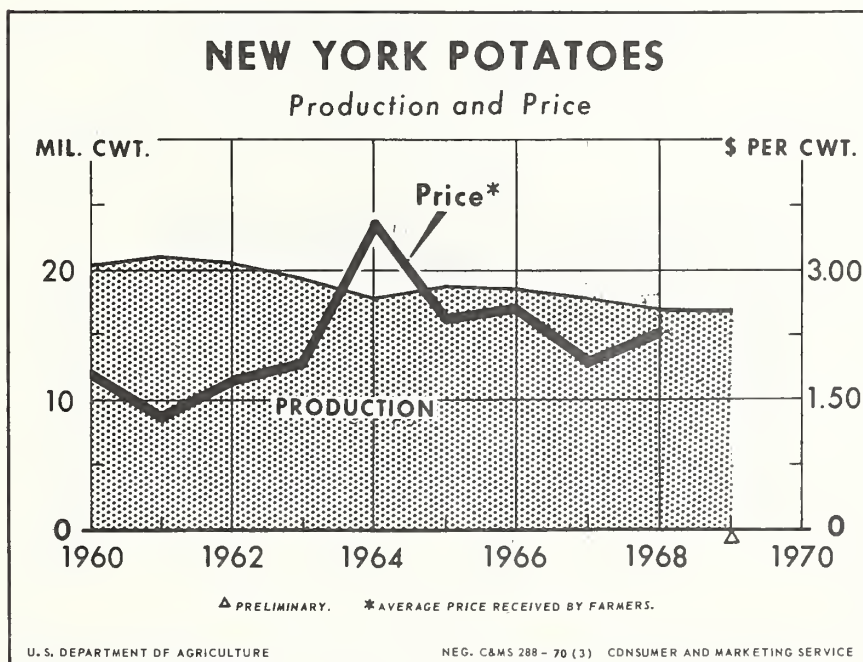


Figure 7

V. POTATO PRODUCTION - PRICE, SELECTED STATES (continued)

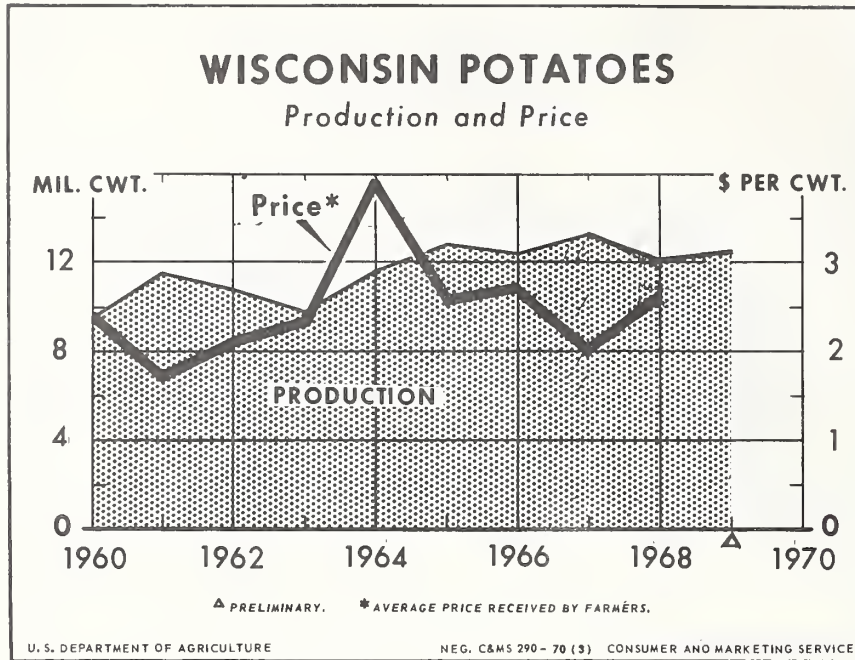


Figure 8

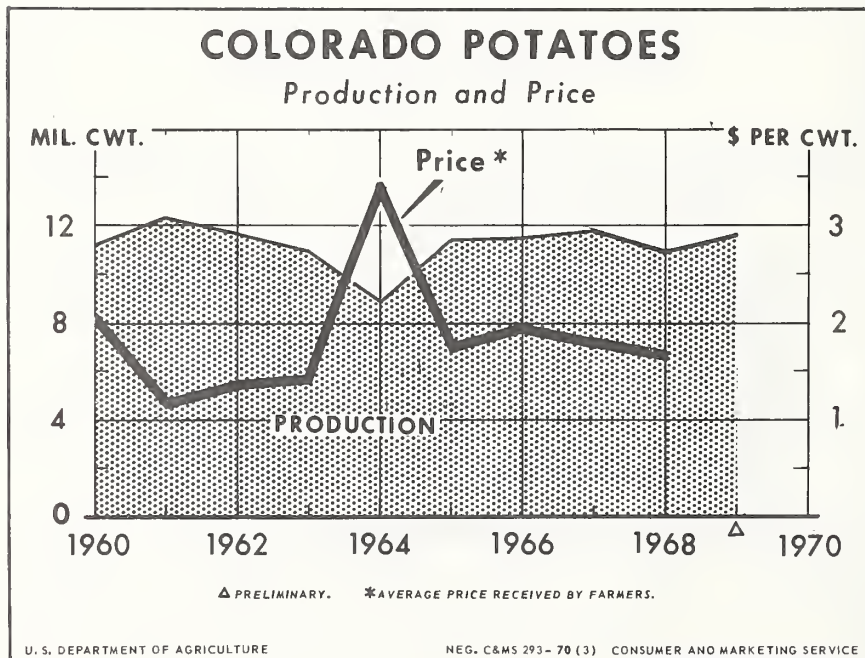


Figure 9

V. POTATO PRODUCTION - PRICE, SELECTED STATES (continued)

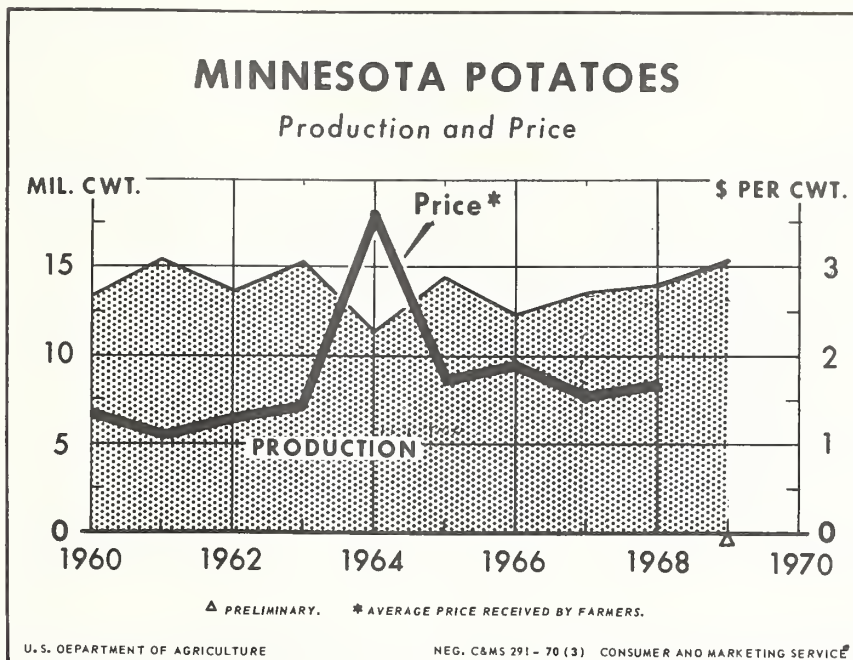


Figure 10

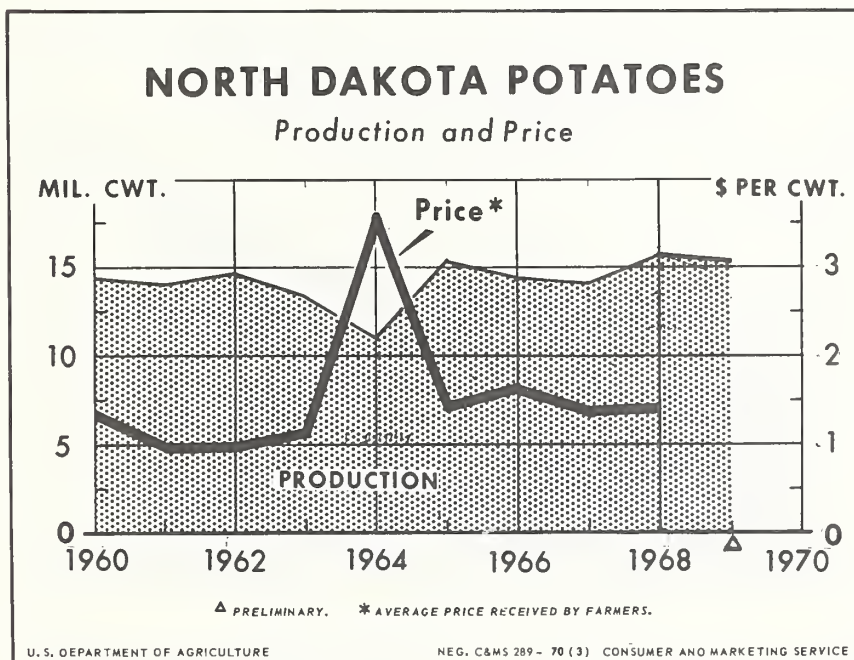


Figure 11

V. POTATO PRODUCTION - PRICE, SELECTED STATES (continued)

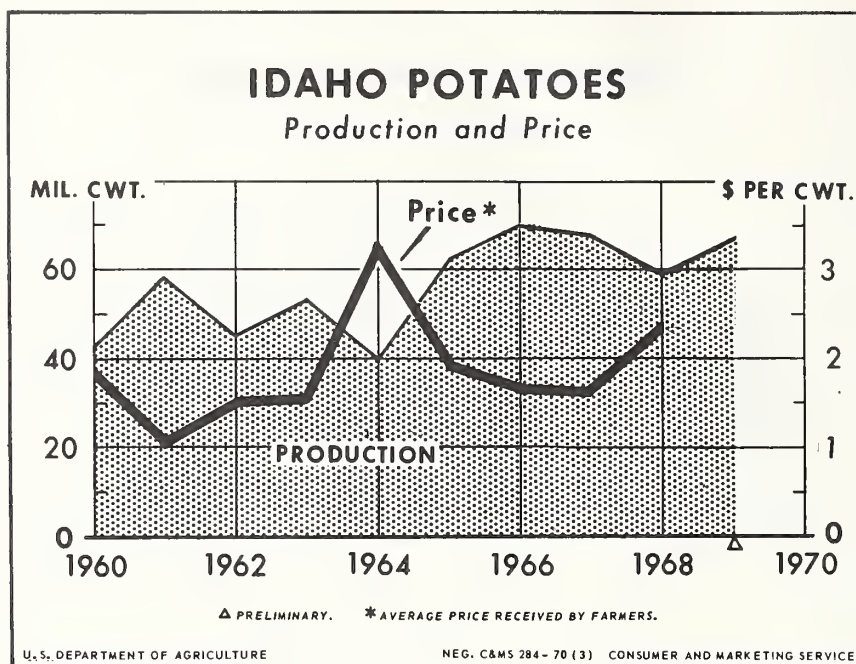


Figure 12

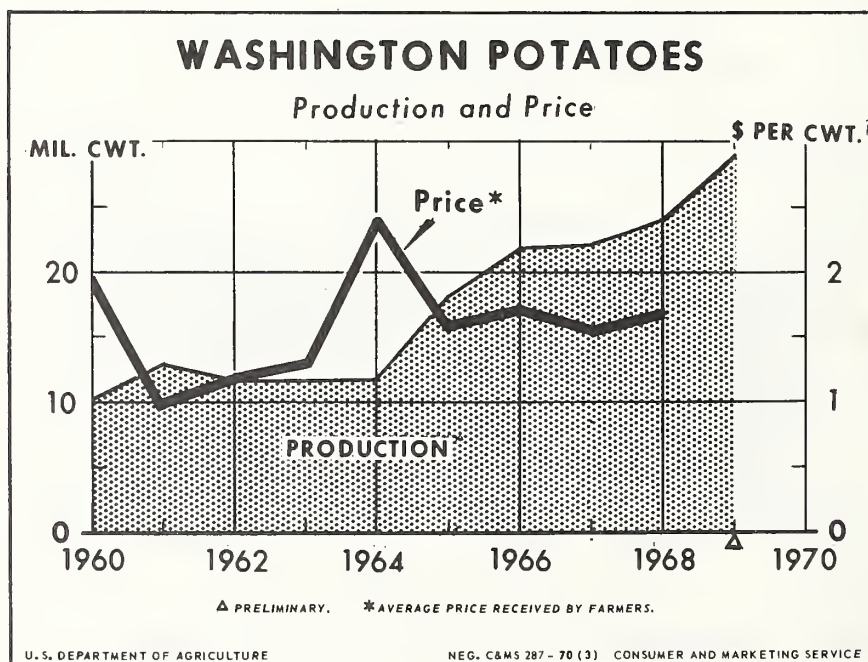


Figure 13

V. POTATO PRODUCTION - PRICE, SELECTED STATES (continued)

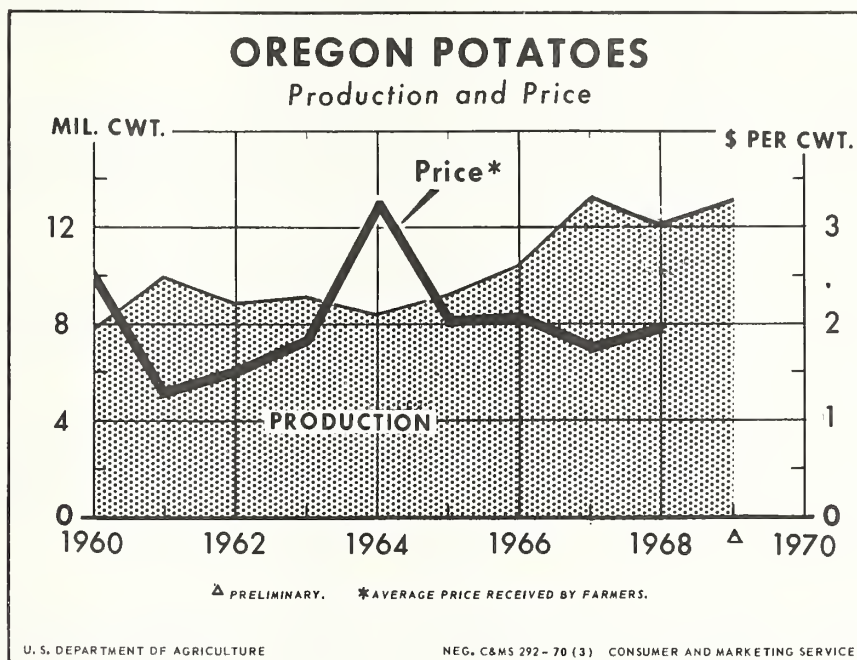


Figure 14

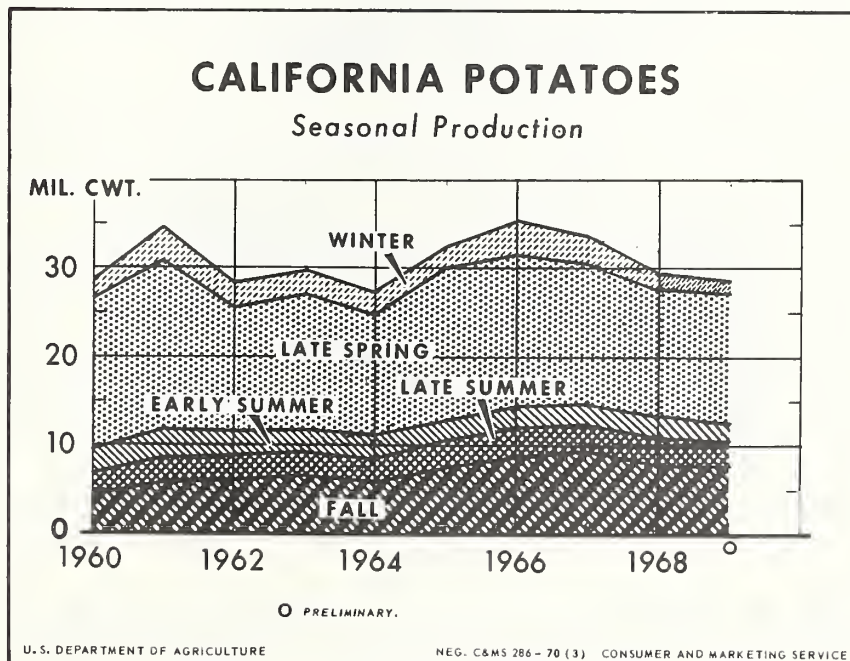


Figure 15

VI. U. S. POTATO INDUSTRY

Major trends in the potato industry considered in the preparation of the marketing guides are described in the commentary and charts that follow:

Acreage, Yield, Production, and Value (See Table 5)

Since 1965, the successive annual plantings of potatoes have ranged from 1.4 to 1.5 million acres (Figure 16). The combined plantings in Idaho, Maine, North Dakota, Minnesota, California, Washington and New York accounted for two-thirds of the 1969 total.

Potato yield was a record in 1969, averaging 219 hundredweight per acre. This compared with 214 hundredweight in 1968 (Figure 17). Among the States, Washington had the highest yield with 408 hundredweight, followed by California with 309 hundredweight.

The 1969 production was a record--307.2 million hundredweight, 4 percent greater than in 1968, and 9 percent above the 1963-68 average (Figure 18). In 1969, Idaho accounted for 21.8 percent of the total output; Maine, 11.4 percent; Washington, 9.5 percent; and California, 9.4 percent.

Potato production and growers' average prices continue to show an inverted pattern. Large crops usually sell at low average prices, and short crops bring the highest returns. The short 1964 crop was sold at an average price of \$3.50 per hundredweight, and value of sales totaled \$765 million (Figure 19). This was in sharp contrast to the surplus 1967 crop which returned an average price of \$1.86, and total sales were \$504 million.

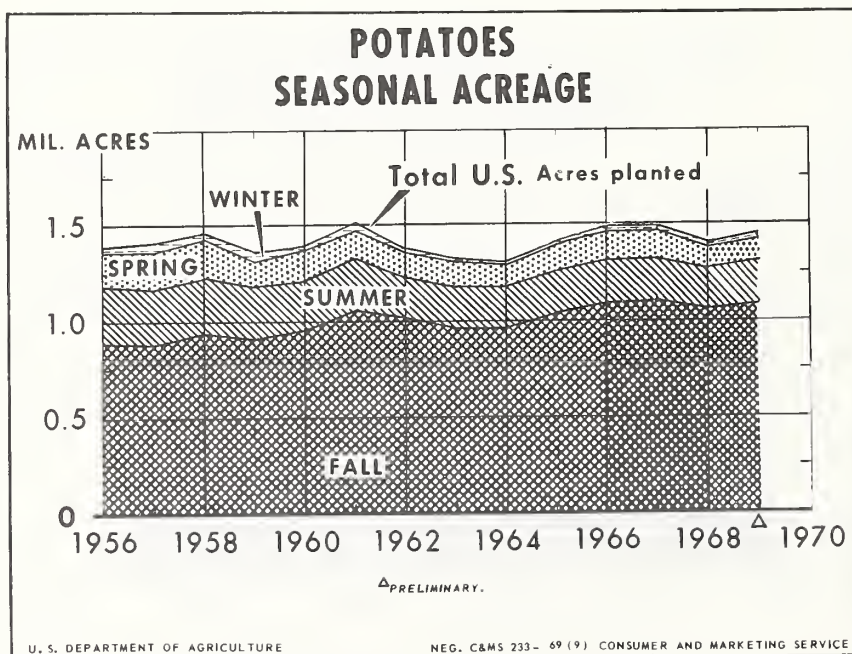


Figure 16

VI. U. S. POTATO INDUSTRY (continued)

Table 5.--Potatoes: U. S. total crop, selected data, 1956-69

Crop year	Planted acreage	Yield per harvested acre	Production	Farm price	Value of sales
	Thousand acres	Cwt.	Million cwt.	Dollars per cwt.	Million dollars
1956	1,392	179	245.8	2.02	425
1957	1,404	178	242.5	1.91	405
1958	1,461	187	266.9	1.31	306
1959	1,354	184	245.3	2.27	492
1960	1,400	185	257.1	2.00	457
1961	1,511	198	293.2	1.36	354
1962	1,378	197	264.8	1.67	396
1963	1,337	205	271.2	1.78	437
1964	1,311	190	241.1	3.50	765
1965	1,419	210	291.2	2.53	665
1966	1,497	210	306.9	2.04	539
1967	1,497	210	305.3	1.86	504
1968	1,410	214	294.2	2.23	589
1969 prel.	1,448	219	307.2	----	---

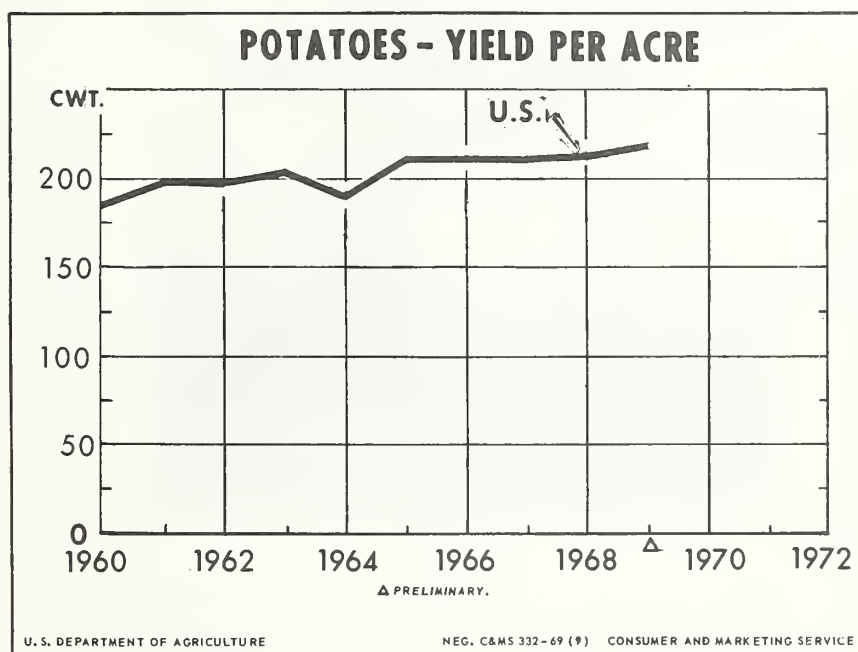


Figure 17

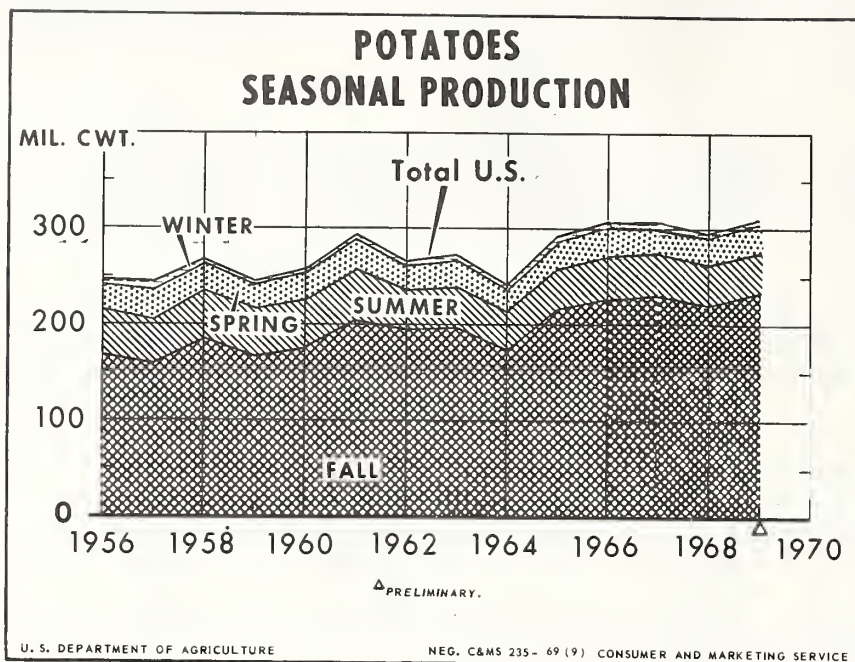


Figure 18

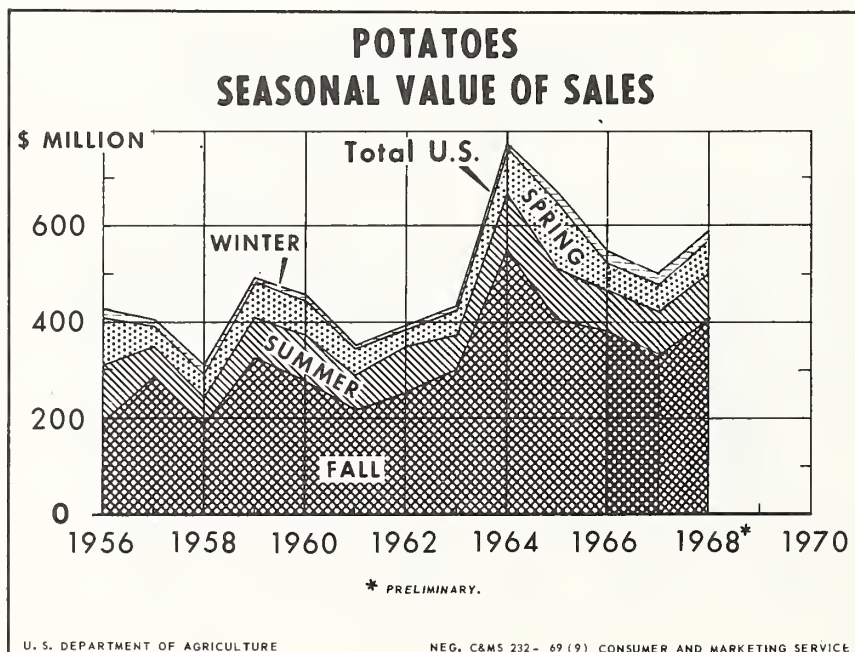


Figure 19

VII. FOREIGN TRADE IN POTATOES

Foreign trade in fresh potatoes is largely with Canada (Table 6). In 1968-69, import and export totals matched closely in contrast with 1967-68 when exports were much higher. Imports from Canada this season are substantially less than in 1968-69. From time to time, potatoes are exported to Latin American Countries and Europe.

The U. S. duty on fresh potato imports is 37.5 cents per hundredweight for up to 114 million pounds of certified seed plus 45 million pounds of "other" potatoes. When these quotas are filled, the duty increases to 75 cents.

In addition to fresh potatoes, substantial quantities of dehydrated potatoes have been moved to European outlets, particularly the United Kingdom. The 1969 exports of dehydrated potatoes totaled 21.6 million pounds. This compared with 17.4 million pounds in 1968. A pound of dehydrated potatoes is equivalent to approximately 7.2 pounds of fresh.

Table 6.--Foreign Trade in Fresh Potatoes

Quota year 1/	Imports from Canada			Exports		
	Seed	Table	2/ Total	To Canada	Other countries	Total
	----- 1,000 hundredweight -----					
1960-61	633.2	83.5	716.7	2,228.5	187.3	2,415.8
1961-62	530.3	354.9	885.2	1,558.6	404.5	1,963.1
1962-63	585.8	307.8	893.6	1,854.5	1,658.6	3,513.1
1963-64	800.5	783.0	1,583.7	1,240.7	270.6	1,511.3
1964-65	1,455.2	1,984.9	3,441.4	1,496.6	156.8	1,653.4
1965-66	792.2	327.1	1,121.8	2,945.7	171.1	3,116.8
1966-67	1,477.1	1,268.5	2,749.6	2,356.1	209.0	2,565.1
1967-68	802.2	438.2	1,240.4	3,097.7	395.1	3,492.8
1968-69	1,413.5	1,282.3	2,695.8	2,454.7	148.6	2,603.3

1/ Year beginning September 15.

2/ Includes a small volume from "Other Countries": 200 hundredweight in 1963-64; 1,200 hundredweight in 1964-65; 2,500 hundredweight in 1965-66; and 4,000 hundredweight in 1966-67.

Source: Foreign Agricultural Service, USDA.

VIII. POTATO UTILIZATION

In 1968, 79 percent of the total potato crop was used for food, 8 percent for seed, 4 percent for livestock feed, 3 percent for starch and flour, and 6 percent was accounted for in shrinkage and loss. The 1968 utilization percentages by outlets were representative of crop use in recent years. In a "short-crop" year, the food use percentage increases and the combined percentage for non-food uses decreases; when a surplus crop is produced, the food use percentage declines. A summary of potato utilization is on page 27. Principal uses of potatoes are depicted in Figures 21 through 26.

The total quantity of potatoes used for food has shown an erratic upward trend. Following the short 1964 crop which resulted in a sharp drop in total consumption, food use expanded sharply in 1965 and has been on a relatively level plane since then.

The total use of fresh potatoes direct for table use has declined but such use continues to dominate in food markets. Raw product use for the manufacture of processed food potatoes doubled between 1956 and 1960, and more than doubled again between 1960 and 1968. In 1968, 45.3 percent of total food potatoes consisted of processed items (fresh-equivalent basis) and 54.7 percent fresh.

Raw product used for the manufacture of frozen potatoes increased sharply in 1965, and again in 1968. In the 1968 crop year, frozen products continued as the leading processed item, and accounted for almost a fifth of total potato food consumption. In 1968-69, total output of frozen potato products was estimated at 1.73 billion pounds; three-fourths of the total pack were french fried. The market for frozen potatoes is expected to show additional growth, particularly because of a rising demand from institutional users.

Raw product used for potato chips and shoestrings attained a record total in 1968. These items accounted for almost 15 percent of potatoes used for food. In the latest count, there were 306 potato chip plants in the United States. Their geographic distribution parallels population concentrations. Additional growth is expected in markets for potato chips and shoestrings.

Raw product used for dehydrated potatoes also set a record in the 1968 crop year, and was equivalent to almost 10 percent of the total quantity used for food. Utilization of potatoes by dehydrators this season has been at a higher level than in 1968-69. Use of potatoes by canners in 1968-69 was a record, and was equivalent to almost 2 percent of the total potatoes used for food.

Details on per capita consumption of fresh and processed potatoes are on page 26. Also, data on retail prices are shown on page 28.

VIII. POTATO UTILIZATION (continued)

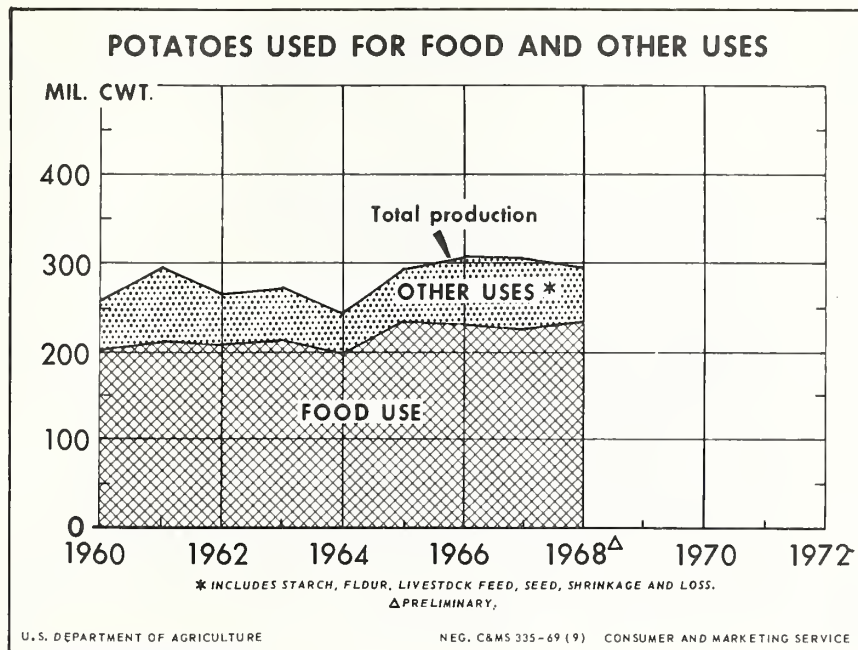


Figure 21

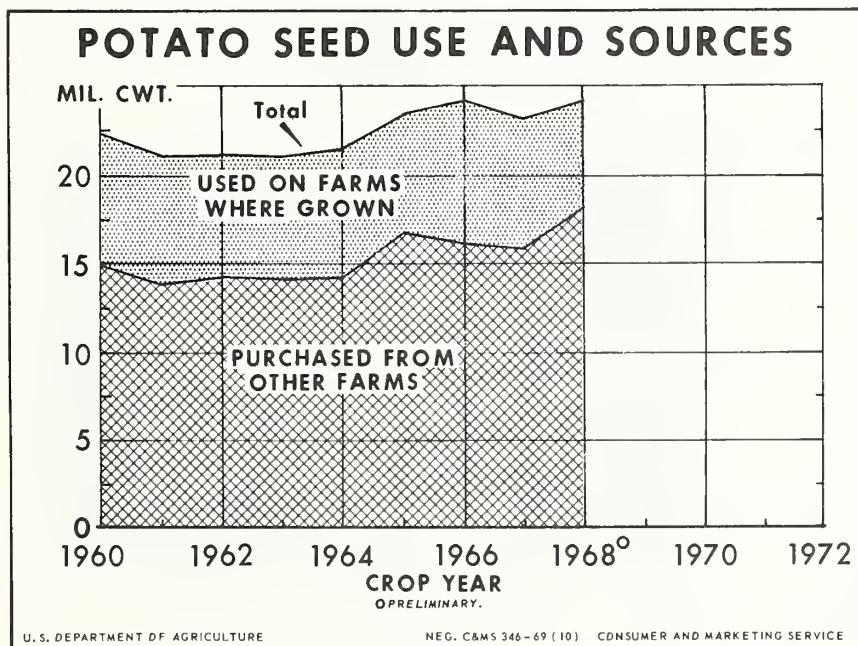


Figure 22

VIII. POTATO UTILIZATION (continued)

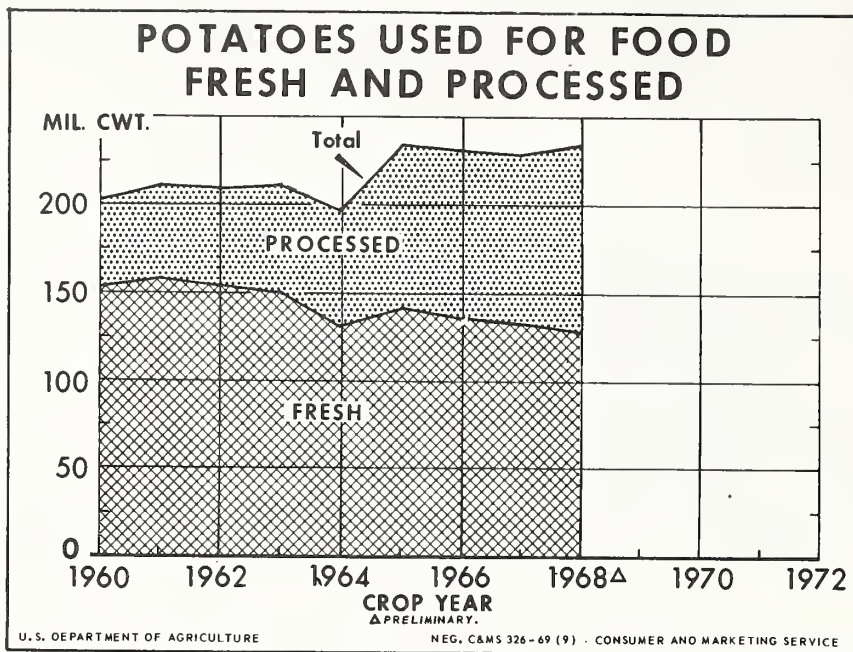


Figure 23

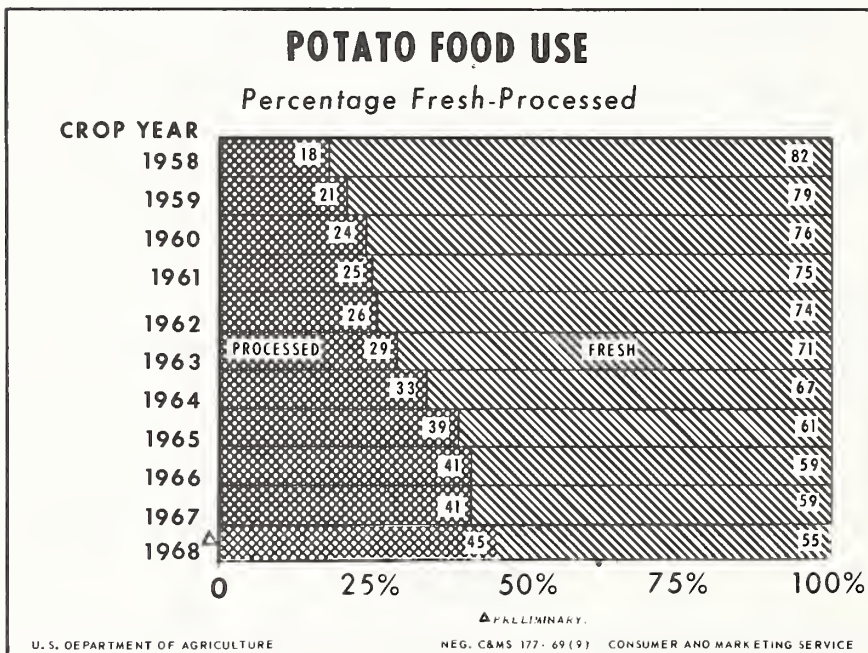


Figure 24

VIII. POTATO UTILIZATION (continued)

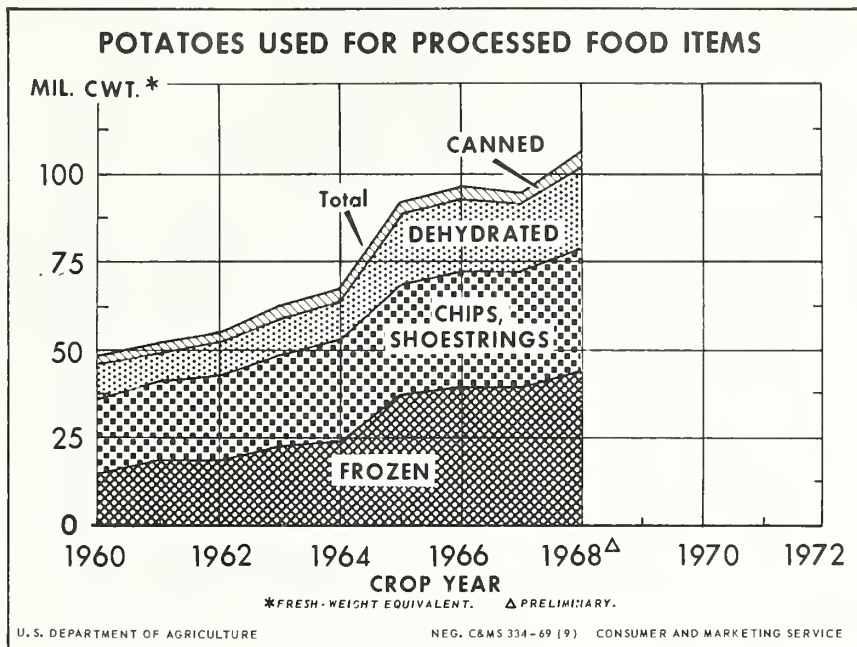


Figure 25

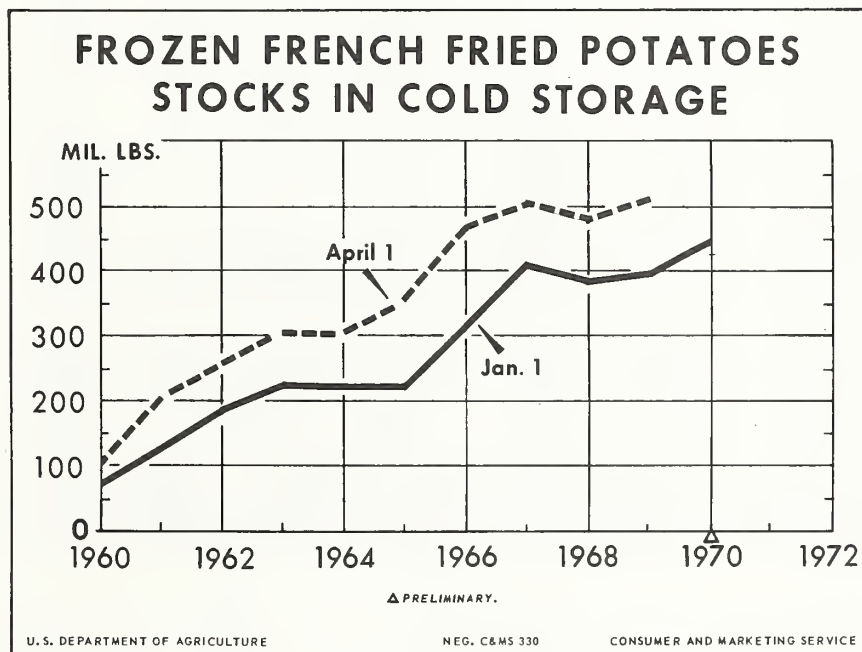


Figure 26

IX. PER CAPITA CONSUMPTION

During the 1960s, per capita consumption of potatoes has held within a narrow range. Gains in consumption of processed potatoes have about offset the long-term downward trend in fresh use (Table 7).

Consumption of fresh potatoes declined from 85 pounds per person in 1960 to 63 pounds in 1968. However, consumption of processed potatoes doubled from 24 pounds to almost 50 pounds, fresh-weight equivalent.

The inverse trends in consumption of fresh and processed potatoes likely will continue. This implies that potato market prospects are more favorable for areas with local potato food processing plants or which produce for chip outlets; a static market is in prospect for producing areas marketing most of their crop as fresh table potatoes.

Table 7.--Potatoes: Per capita consumption, 1956-68

Year	Per capita consumption						
				Processed 1/			
	Total	Fresh		Total	Canned	Frozen	Chips and shoestrings
	and processed						Dehydrated
----- Pounds -----							
1956	102.7	88.7	14.0	0.5	2.9	8.9	1.7
1957	109.3	94.2	15.1	.5	2.9	9.6	2.1
1958	104.7	87.7	17.0	.6	3.5	10.1	2.8
1959	106.7	86.4	20.3	.5	4.9	11.0	3.9
1960	108.4	84.7	23.7	.5	6.6	11.6	5.0
1961	109.2	84.5	24.7	.5	6.8	12.3	5.1
1962	107.2	79.5	27.7	.4	9.4	13.1	4.8
1963	111.2	80.8	30.4	.4	11.0	13.9	5.1
1964	110.8	75.5	35.3	.4	14.6	14.8	5.5
1965	107.5	69.0	38.5	.5	14.2	15.7	8.1
1966	113.3	68.5	44.8	.6	17.3	16.6	10.3
1967	111.3	65.2	46.1	.5	18.9	16.8	9.9
1968 2/	112.6	63.2	49.4	.6	21.2	17.0	10.6

1/ Fresh-weight basis. 2/ Preliminary.

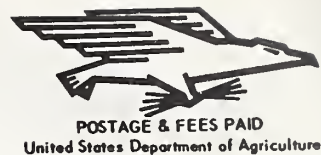
Source: Agricultural Handbook No. 373 and Economic Research Service, USDA.

Potatoes, United States: Utilization of 1956-68 crops

Utilization items	Crop year									
	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965 : 1966 : 1967 : 1968
	----- Thousand cwt. -----									
Fresh food:										
Tablestock	146,048	148,408	148,868	148,497	149,002	153,594	149,710	146,981	129,513	133,856 131,184 125,277
On-farm	9,312	8,176	7,279	5,913	5,310	4,773	3,955	3,400	2,776	2,597 2,378 2,289 2,137
Subtotal	155,360	156,584	156,147	154,410	154,312	158,367	153,665	150,381	132,289	142,139 136,234 133,473 127,414
Processed food:										
Chips, etc.	14,566	17,356	17,063	20,085	21,018	22,642	24,086	26,693	28,783	31,292 32,729 32,406 34,123
Dehydration	3,223	3,776	5,917	7,656	10,104	8,518	9,280	9,909	10,801	20,166 19,811 19,084 22,761
Frozen	4,675	4,827	8,263	9,918	15,042	18,138	18,400	22,425	23,654	37,302 39,631 39,609 44,562
Canned	2,283	2,606	2,864	2,447	2,809	2,775	2,926	3,240	3,201	3,348 3,386 3,358 4,041
Subtotal	24,747	28,565	34,107	40,106	48,973	52,073	54,692	62,267	66,439	92,108 95,557 94,457 105,487
(1) Total food	180,107	185,149	190,254	194,516	203,285	210,440	208,357	212,648	198,728	234,247 231,791 227,930 232,901
(2) Starch, flour	18,336	12,691	18,387	7,718	10,177	20,493	11,285	11,737	2,990	8,081 11,001 12,049 7,299
(3) Feed sales	7,675	8,950	18,918	6,607	5,348	20,340	7,913	10,103	5,587	5,797 8,440 16,800 8,877
Feed on farms	4,148	2,718	3,916	3,104	2,940	4,192	3,340	3,087	1,871	2,179 2,930 2,781 2,074
Total	11,823	11,668	22,834	9,711	8,288	24,532	11,253	13,190	7,458	7,976 11,370 19,581 10,951
(4) Seed sales	13,435	13,641	13,079	13,583	14,823	13,823	14,333	14,159	14,203	16,922 16,173 15,846 17,277
Seed on farm	6,752	7,577	7,086	7,093	7,560	7,191	5,955	5,911	7,363	6,510 8,113 7,427 6,905
Total	20,187	21,218	20,165	20,676	22,383	21,014	20,288	20,070	21,566	23,432 24,286 23,273 24,182
(5) Shrinkage, and loss	15,339	11,796	15,257	12,651	12,971	16,687	13,627	13,513	10,334	17,433 28,454 22,501 18,859
(6) Production	245,792	242,522	266,897	245,272	257,104	293,166	264,810	271,158	241,076	291,169 306,902 305,334 294,192

Source: Annual reports of the Statistical Reporting Service, United States Department of Agriculture.

9-10-69



Official Business

Penalty for private use \$300

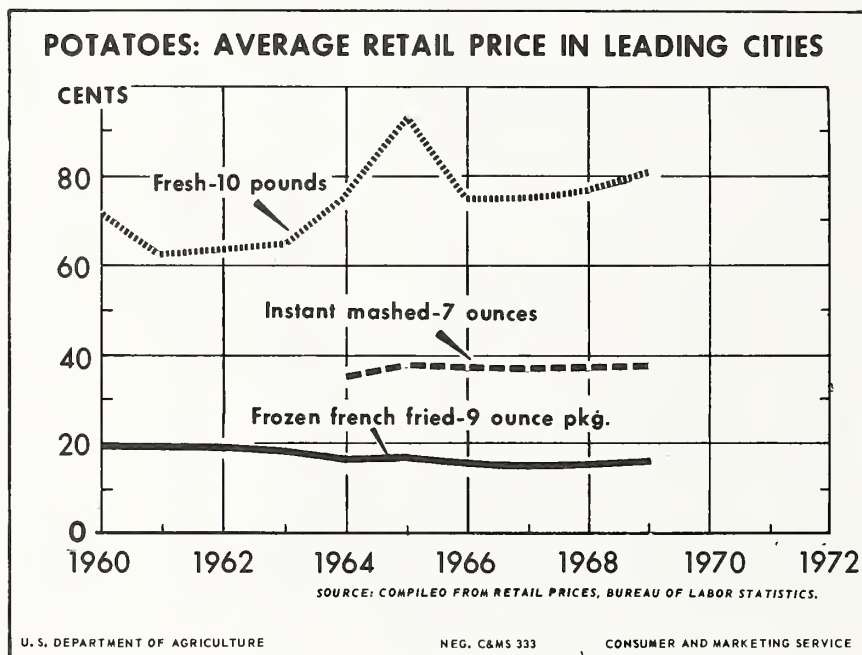


Figure 27